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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92051006
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

COUCH/BRAUNSDORF AFFINITY, INC., )

Petitioner/Counter-Registrant, )

v. )

12 INTERACTIVE, LLC, )

Registrant/Counter-Petitioner )

Cancellation No. 92051006

**REGISTRANT'S TRIAL BRIEF**

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## **I. INTRODUCTION**

Through these proceedings, Petitioner/Counter-Registrant, Couch/Braunsdorf Affinity, Inc. ("Petitioner"), seeks to improperly assert rights in two designations, PERKS and PERKSCARD, despite the fact that those designations are generic for the services that Petitioner provides: that is, employee benefits, or "perks" services provided via an encoded card. In the alternative, two of the PERKS and PERKSCARD registrations ought to be cancelled as merely descriptive without secondary meaning, or as duplicative of the earlier PERKS and PERKSCARD registrations. Moreover, even if the Board were to decline to invalidate or cancel these registrations, Petitioner has not and cannot present sufficient evidence that a likelihood of confusion exists between the either PERKS or PERKSCARD mark and the PERKSPOT mark as used by Registrant/Counter-Petitioner, 12 Interactive, LLC ("PerkSpot") in the employee perks field. Indeed, the record evidence is clear that there is no likelihood of confusion.

## **II. DESCRIPTION OF THE RECORD**

The evidence of record consists of:

- A. Testimony Deposition of Branden Smythe, former vice president of PerkSpot ("Smythe Dep.")
- B. Testimony Deposition of Chris Hill, CEO of PerkSpot ("Hill Dep.")
- C. Testimony Deposition of Robert Dow, Founder and President of Petitioner ("Dow Dep.")
- D. Petitioner's Notices of Reliance
- E. Registrant's Notice of Reliance

## **III. STATEMENT OF ISSUES TO BE DETERMINED**

- A. Whether the PERKS and PERKSCARD marks are generic for employee incentives or perks services, and cards to be used in connection with employee perks services, and should therefore be cancelled pursuant to 15 U.S.C. § 1064(3).
- B. If the PERKS or PERKSCARD mark is not generic, whether the later-filed registration for each should be cancelled as merely descriptive and/or duplicative.

- C. If the PERKS or PERKSCARD mark is not generic, whether it so resembles the PERKSPOT mark, when used in connection with employee incentives or perks services, as to be likely to cause confusion.

#### IV. ARGUMENT

##### A. The PERKS and PERKSCARD Marks Are Generic and Should be Cancelled

A perquisite, or “perk,” is a “privilege or benefit given in addition to one’s salary or regular wages.” (Black’s Law Dictionary, Reg. Not. of Rel. at Ex. C-10; *see generally id. at Ex. C.*) A card is a usually rectangular piece of stiff paperboard or plastic, as to write information on or printed as a means of identifying the holder. These terms are not capable, alone or together, of distinguishing a party’s services for perks or for perks cards.

A term is generic if it refers, or has come to be understood as referring to, the name of the product or service itself, and as such, is the very antithesis of a trademark. *Filipino Yellow Pages, Inc. v. Asian Journal Pubs., Inc.*, 198 F.3d 1143, 53 USPQ 2d 1001, 1004 (9th Cir. 1999) (holding that FILIPINO YELLOW PAGES was generic and therefore unprotectable). The test for genericness is the “primary significance of the relevant mark to the relevant public.” 15 U.S.C. § 1064(3); *see also In re Pennington Seed Inc.*, 466 F.3d 1053, 80 USPQ2d 1758, 1760 (stating that “this court’s test for genericness [is] the primary significance of the mark to the purchasing public” and holding that REBEL is generic for a particular variety of grass seed). Genericness is a valid ground for cancellation of a mark at any time, including after the mark otherwise becomes “incontestable.” 15 U.S.C. §§ 1064 (3) and 1065.

The Federal Circuit has laid out a two prong inquiry to determine whether a mark is generic: (1) determine the genus of goods or services at issue, and (2) determine whether the term sought to be retained on the register is understood by the relevant public primarily to refer to that genus of goods or services. *In re 1800Mattress.com IP LLC*, 586 F.3d 1359, 92 USPQ2d 1682, 1684 (Fed. Cir. 2009) (upholding Board decision finding that MATTRESS.COM is



generic for online retail store services in the field of mattresses, beds, and bedding). “The test is not only whether the relevant public would itself *use* the term to describe the genus, but also whether the relevant public would *understand* the term to be generic.” *Id.* at 1685. Thus, the operative question is not whether the relevant public in this case refers to employee benefit and volume discount services as “perks” or a magnetically encoded card used to obtain employee benefit and volume discount services as a “perkscard.” Instead, the operative question is whether the relevant public would *understand*, when hearing the terms “perks” and “perkscard,” that those terms refer to the genus of employee benefit programs. *See id.* In determining how the relevant public perceives the mark, courts consider dictionary definitions, media usage, petitioner’s own use of the mark, competitors’ usage, and consumer surveys.<sup>1</sup> *Filipino Yellow Pages*, 198 F.3d at 1148.

Dictionary definitions of a word to denote the category of services provided are significant, probative evidence of genericness. *Retail Svcs. Inc. v. Freebies Pub.*, 364 F.3d 535, 70 USPQ2d 1603, 1611 (4th Cir. 2004) (relying in part on dictionary definitions to find registered term FREEBIES generic). As noted above, a perk is a “privilege or benefit given in addition to one’s salary or regular wages.” (Black’s Law Dictionary, Reg. Not. of Rel. at Ex. C-10.) (*See also id.* at C-1, Oxford English Dictionary Online defining perk as “a small privilege or perquisite customarily due to a member of a particular organization, rank, profession, etc.; an unofficial fringe benefit enjoyed by an employee...”; *id.* at C-14, Webster’s Ninth New Collegiate Dictionary defining perk or perquisite as “a privilege, gain, or profit incidental to

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<sup>1</sup> Though in some cases, survey evidence can be used to show how the relevant public understands a term, neither party in this matter has provided survey evidence. Indeed, survey evidence is irrelevant where the term at issue was commonly used before the use by either party. *Schwan’s IP, LLC v. Kraft Pizza Co.*, 460 F.3d 971, 79 USPQ2d 1790, 1793 (8th Cir. 2006) (“Because the term at issue [BRICK OVEN for use in connection with pizza] was commonly used before either party had named their restaurants, the survey evidence was irrelevant.”); *see also Hunt Masters, Inc. v. Landry’s Seafood Restaurant, Inc.*, 240 F.3d 251, 57 USPQ2d 1884 (4th Cir. 2001) (holding that survey conducted by purported mark CRAB HOUSE owner was irrelevant because owner did not claim to have first coined the term CRAB HOUSE). In this case, because both the term “perks” and the term “perks card” were commonly used before either party to this action’s first use, survey evidence is irrelevant.

regular salary or wages”; *id.* at C-16-17, Merriam-Webster’s Desk Dictionary defining perk or perquisite as “a privilege or profit beyond regular pay” and noting perks generally is plural; *id.* at C-20, Random House Webster’s College Dictionary defining perk or perquisite as “an incidental payment, benefit, or privilege over and above regular income or salary”; *id.* at C-23, The American Heritage College Dictionary defining perk or perquisite as “a payment or profit received in addition to a regular wage or salary.”) This, of course, precisely describes the category of services in connection with which Petitioner provides services under its PERKS designation.

Furthermore, trademark owner’s lack of diligence in policing or acquiescence to generic use is evidence that the mark is, in fact, generic. *Illinois High School Ass’n v. GTE Vantage Inc.*, 99 F.3d 244, 40 USPQ2d 1633 (7th Cir. 1996) (“A serious trademark holding is assiduous in endeavoring to convince dictionary editors, magazine and newspaper editors, journalists and columnists, and other lexicographically influential persons to avoid using his trademark to denote anything other than the trademarked good or service.”). Petitioner obviously has taken no steps to ensure PERKS does not appear as a dictionary-defined term. In fact, PERKS was a generic term even before Petitioner’s use of the term in connection with its business.

Likewise, PERKSCARD precisely describes a card used to provide perks. Petitioner’s own generic use of the PERKSCARD designation is “strong evidence of genericness.” *Retail Svcs.*, 70 USPQ2d at 1611. Throughout the deposition of Robert Dow, Petitioner’s founder and president, he generically refers to a card used to obtain perks as a “PerksCard.” For example, Mr. Dow testified that “PerksCards are valid for one year,” (Dow Dep. 33:3) and in response to a question regarding a particular “card” offered by Petitioner, Mr. Dow responds “[t]hat’s a standard PerksCard.” (*Id.* at 34:9-10; *see also* 31:12-15, 32:8-20, 33:1-3, 34:8-12, 35:13-17, 36:7-10.) Importantly, Mr. Dow does not refer to this card as a PERKS or PERKSCARD

branded “discount card” or “enrollment card” or “membership card.” (*Id.*) Therefore, this is strong evidence that the genus to which this item belongs is, in fact, a “perks card.”

Widespread third-party use of the PERKS and PERKSCARD designations by others also shows that these terms are generic. Many other companies that provide perks understandably use marks comprised in part of the term PERKS in connection with their perks-related services. (*See generally* Reg. Not. of Rel. at Exs. A and B.) While Petitioner is correct that mere Internet search results without more are not conclusive proof of third-party use, PerkSpot has entered into the record both the search results along with printouts of the webpages linked in those search results, when such results were relevant third-party uses, as described in the chart below:

Page(s)	Identification
A-1 to A-100	Yahoo! search results for term “perks,” accessed on August 13, 2010; REG0076-0175
A-101 to A-140	Yahoo! search results for phrase “perks cards,” accessed on August 13, 2010; REG0176-0215
A-141 to A-142	Main page from <perks.com>, accessed on September 27, 2011
A-143 to A-144	“Perks Enterprise” from <incentiveprograms.com>, accessed on September 27, 2011
A-145 to A-146	“PerksXpress” from <incentiveprograms.com>, accessed on September 27, 2011
A-147 to A-148	“Perks Plus” from <incentiveprograms.com>, accessed on September 27, 2011
A-149 to A-152	“Employee benefit,” from <wikipedia.org>, accessed on September 16, 2010; REG 0278-0281
A-153 to A-154	“Perk,” from <thefreedictionary.com>, accessed on September 16, 2010; REG0290-0291
A-155 to A-169	“Perks” from <callofduty.wikia.com>, accessed on September 16, 2010; REG0297-311

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A-170 to A-173	"Perks" from <modernwarfare247.com>, accessed on September 16, 2010; REG0312-315
A-174 to A-178	"Perks" from <themodernwarfare2.com>, accessed on September 16, 2010; REG0316-0320
A-179	"Login" from <us.corporateperks.com>, accessed on September 16, 2010; REG0321
A-180 to A-181	"Drug company perks may sway doctors" from <pittsburghlive.com>, accessed on September 15, 2010; REG0323-324
A-182 to A-186	"The Perks of Being a Wallflower" from <amazon.com>, accessed on September 15, 2010; REG0325-329
A-187 to A-188	"Perks" from <businessdictionary.com>, accessed on September 15, 2010; REG0331-332
A-189 to A-196	Main page from <bordersrewardsperks.com>, accessed on September 15, 2010; REG0333-340
A-197 to A-200	"Multiplayer Perks" from <mw2blog.com>, accessed on September 15, 2010; REG0341-344
A-201 to A-206	"Fallout 3 perks" from <fallout.wikia.com>, accessed on September 15, 2010; REG0345-350
A-207	"Job Searching" from <jobsearch.about.com>, accessed on September 15, 2010; REG0351
A-208 to A-210	"Perk" from <answers.com>, accessed on September 15, 2010; REG0352-0354
A-211 to A-217	"Perks" from <answers.com>, accessed on September 15, 2010; REG0355-361
A-218	"Perks" from <wikipedia.org>, accessed on September 15, 2010; REG0362
A-219	Main page from <insiderperks.com>, accessed on September 15, 2010; REG0363
A-220 to A-224	Main page from <mommyperks.com>, accessed on September 15, 2010; REG0364-0368
A-225 to A-226	Main page from <deverpostperks.com>, accessed on September 15, 2010; REG0369-0370

Page(s)	Information
A-227	"Perks" from <dunkindonuts.com>, accessed on September 15, 2010; REG0371
A-228 to A-230	"Call of Duty 4 Perks" from <cod4central.com>, accessed on September 15, 2010; REG0373-0375
A-231 to A-232	"Login" from <officemaxperks.com>, accessed on September 15, 2010; REG0376-0377
A-233 to A-235	Main page from <corporateperks.com>, accessed on September 15, 2010; REG0378-0380
A-235 to A-238	"Five Overlooked Hotel Perks" from <foxnews.com>, accessed on September 15, 2010; REG0381-0383
A-239 to A-240	Main page from <personalityperks.com>, accessed on September 15, 2010; REG0384-0385
A-241	Main page from <greatworkperks.com>, accessed on September 15, 2010; REG0386
A-242 to A-244	Main page from <perksconsulting.com>, accessed on September 15, 2010; REG0387-0389
A-245 to A-246	Main page from <septapassperks.org>, accessed on September 15, 2010; REG0390-0391
A-247 to A-249	Main page from <diningperks.com>, accessed on September 15, 2010; REG0392-0394
A-250 to A-252	"At rescued banks, perks keep rolling," from <washingtonpost.com>, accessed on September 15, 2010; REG0397-399
A-253 to A-255	"Portland Perks" from <travelportland.com>, accessed on September 15, 2010; REG0404-406
A-256 to A-257	"Perks" from <starwoodhotels.com>, accessed on September 15, 2010; REG0407-408
A-258 to A-259	"PetPerks" from <petsmart.com>, accessed on September 16, 2010; REG0447-0448
A-260 to A-262	"Cincinnati Public Radio Perks" from <publicmediaperks.com>, accessed on September 16, 2010; REG0449-451
A-263 to A-265	"Perks Card" from <lanebryant.com>, accessed on September 16, 2010;

Page(s)	Identification
	REG0452-454
A-266 to A-268	"Card Perks Directory" from <cardoffers.com>, accessed on September 16, 2010; REG0460-0462
A-269 to A-272	"Brooklyn Perks Card" from <twitter.com>, accessed on September 16, 2010; REG0463-0466
A-273 to A-274	Main page from <brooklynperkscard.com>, accessed on September 16, 2010; REG0467-0468
A-275 to A-277	Main page from <laperks.com>, accessed on September 16, 2010; REG0469-471
A-278 to A-279	"Perks" from <shopnsavefood.com>, accessed on September 16, 2010; REG0472-473
A-280 to A-281	"Sign up" from <placeperks.instorecard.com>, accessed on September 16, 2010; REG0474-475
A-282 to A-283	"Perks card program at Fort Bragg offers customer discounts" from <army.mil>, accessed on September 16, 2010; REG0476-477
A-284 to A-285	Main page from <officemaxperks.com>, accessed on September 16, 2010; REG0481-482
A-286 to A-289	Main page from <onecardgivesback.com>, accessed on September 16, 2010; REG0483-486
A-290 to A-298	"Employee perks" from <biocom.com>, accessed on September 16, 2010; REG0487-495
A-299 to A-303	"How to use the place perks card on childrens place online???" from <imamother.com>, accessed on September 16, 2010; REG0496-500
A-304 to A-308	"OCPRSA Membership Perks Card" from <ocprsa.org>, accessed on September 16, 2010; REG 0501-0505
A-309 to A-312	"Pump Perks" from <discoversomethingbiggs.com>, accessed on September 16, 2010; REG 0506-509
A-313 to A-315	"The ASU Bookstore 'Pitchfork Perks' Program" from <asu.edu>, accessed on September 16, 2010; REG 0510-512
A-316 to A-317 and A-319	"VIP Perks Card" from <orpheum-memphis.com>, accessed on September 16, 2010; REG 0513-514

Page(s)	Identification
A-318 and A-320	"Get a Perks Card" from <sorbaras.com>, accessed on September 16, 2010; REG 0516-517
A-321 to A-322	"PerksCard" from <jazzmanscfe.com>, accessed on September 16, 2010; REG 0518-519
A-323 to A-324	Main page from <tdhaperks.com>, accessed on September 16, 2010; REG 0524-525
A-325 to A-327	"Family Perks" from <familychristian.com>, accessed on September 16, 2010; REG 0528-530
A-328 to A-337	"California Destination Guide" from <californiadaytrips.blogspot.com>, accessed on September 16, 2010; REG 0531-540
A-338	"MWR Perks Card" from <fortbraggmwr.com>, accessed on September 16, 2010; REG 0541
A-339 to A-343	"Petsmart Pet Perks card" from <boxerworld.com>, accessed on September 16, 2010; REG 0544-0548
A-344 to A-346	"'Pink Perks' VIP Shopping Memo Card 2010" from <theshoppingmemo.com>, accessed on September 16, 2010; REG 0556-0558
A-347 to A-353	"The Children's Place: Place Perks Card" from <passionforsavings.com>, accessed on September 16, 2010; REG 0559-565
A-354 to A-355	"Save a Fortune on Fuel!" from <feperks.com>, accessed on September 16, 2010; REG0576-577
A-356 to A-357	Main page from <localproud.com>, accessed on September 16, 2010; REG0579-580
A-358	Main page from <greatworkperks.com>, accessed September 16, 2010; REG0581
A-359 to A-360	"Lighten Up 4 Life" from <liftenup4life.com>, accessed September 16, 2010; REG0582-583
A-361 to A-363	"Xbox Live Perks Card" from <talkxbox.com>, accessed September 16, 2010; REG0584-586
A-364 to A-366	"Special Perks for You" from <jacksonmn.com>, accessed September 16, 2010; REG0587-589
A-367 to A-378	"US Bank Flex Perks Visa Card Holders- Delayed WorldPerks mileage

Page(s)	Identification
	credits” from <flyertalk.com>, accessed September 16, 2010; REG0590-601
A-379 to A-380	“My Login” from <officemaxperks.com>, accessed September 16, 2010; REG0602-603

(Reg. Not. of Rel. at Ex. A.)

Additionally, while federal registrations alone are not conclusive proof of third-party use, together with examples of such use from the website printouts, they provide compelling evidence of rampant third-party uses of PERKS and PERKSCARD formative marks in the marketplace. For example, PerkSpot provided (i) search results for the term “perks” that show another company, Perks or Perks.com, holds itself out as a “Global Incentive Program Provider” (Reg. Not. of Rel. at Ex. A-1), (ii) printouts showing the Perks.com main page as well as several sub-pages, including one showing use of both PERKS and PERKSPLUS (*Id.* at Ex. A-141 to A-147), and (iii) PTO records for a registration for the mark PERKSPLUS shown in those printouts (*Id.* at Ex. B-277 to B-279). Indeed, PerkSpot has entered into the record printouts of over seventy different websites that are using PERKS or PERKSCARD either generically or as part of their own marks, and trademark records for well over one hundred registrations for marks comprised of PERKS or PERKSCARD and whose recitation of goods or services name some sort of perks, benefit, or discount, as shown in the chart below:

Page(s)	Identification
B-1 to B-31	Search results for “perks” in the Trademark Electronic Search System (TESS)
B-32 to B-34	TARR report for Registration No. 2453390 - PERKS
B-35 to B-37	TARR report for Registration No. 2121465 – PERKS PLUS
B-38 to B-40	TARR report for Registration No. 3125217 – CARD PERKS
B-41 to B-44	TARR report for Registration No. 3291476 – PERQZ



Page(s)	Identification
B-45 to B-48	TARR report for Registration No. 3768493 – THE PERKS COMPANY
B-49 to B-51	TARR report for Registration No. 4029941 – PERKSHARE
B-52 to B-54	TARR report for Registration No. 2964287– PERKSNOW
B-55 to B-57	TARR report for Registration No. 2930976– PERKS RESOURCES
B-58 to B-60	TARR report for Registration No. 3290667 – CORPORATE PERKS
B-61 to B-63	TARR report for Registration No. 3077460 – FAST PERKS
B-64 to B-66	TARR report for Registration No. 3798715 – PAYPERKS
B-67 to B-69	TARR report for Registration No. 3590776 – PERKCHASE
B-70 to B-72	TARR report for Registration No. 3609224 – PERKS EVERYDAY
B-73 to B-75	TARR report for Registration No. 2683472–MAXPERKS
B-76 to B-78	TARR report for Registration No. 4017353 – PERKS POINTS MALL
B-79 to B-81	TARR report for Registration No. 3989150 – PROJECT PERKS
B-82 to B-84	TARR report for Registration No. 3239649– PERKPASS
B-85 to B-87	TARR report for Registration No. 3239648– PERKSAVER
B-88 to B-90	TARR report for Registration No. 3374455– MONEYPERKS
B-91 to B-94	TARR report for Registration No. 3383279– DENTALPERKS
B-95 to B-97	TARR report for Registration No. 3304444 – SHOP ‘N SAVE PERKS
B-98 to B-100	TARR report for Registration No. 3236578– CARPERKS
B-101 to B-104	TARR report for Registration No. 3235230– HEALTHPERK\$
B-105 to B-107	TARR report for Registration No. 3280722– GAS PERKS
B-108 to B-111	TARR report for Registration No. 3396011– WORK PERKS
B-112 to B-115	TARR report for Registration No. 3308687– PINK PERKS
B-116 to B-118	TARR report for Registration No. 3071073– SUN PERKS

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B-119 to B-122	TARR report for Registration No. 3185535– CLUBPERKS
B-123 to B-125	TARR report for Registration No. 3035037– PETPERKS
B-126 to B-128	TARR report for Registration No. 3027901– PUMPPERKS
B-129 to B-131	TARR report for Registration No. 3044733– PURPLE PERKS
B-132 to B-135	TARR report for Registration No. 3419730– PAW PERKS
B-136 to B-139	TARR report for Registration No. 3007334– COOL PERKS FOR CONCERT FANS
B-140 to B-142	TARR report for Registration No. 2889342– STAR PERKS
B-143 to B-146	TARR report for Registration No. 2881578– CARMAX AUCTIONS PERKS
B-147 to B-149	TARR report for Registration No. 2785019– FIT:PERKS
B-150 to B-153	TARR report for Registration No. 2529987– PARTSPERKS
B-154 to B-157	TARR report for Registration No. 2865599– PETPERKS
B-158 to B-160	TARR report for Registration No. 3829574– PAYS LIKE DEBIT...PERKS LIKE CREDIT
B-161 to B-163	TARR report for Registration No. 3837962– MORE PERKS. MORE PRIVILEGES.
B-164 to B-166	TARR report for Registration No. 3831602– RCI SHOPPING PERKS
B-167 to B-169	TARR report for Registration No. 3831474–RCI RUISE PERKS
B-170 to B-172	TARR report for Registration No. 3924083–FE PERKS
B-173 to B-175	TARR report for Registration No. 3814121–OMNIPERK
B-176 to B-178	TARR report for Registration No. 3788510–VISA SIGNATURE THE CARD DEFINED BY ITS PERKS
B-179 to B-181	TARR report for Registration No. 3741921–PH PERKS
B-182 to B-184	TARR report for Registration No. 3773213–FLEXPERKS
B-185 to B-187	TARR report for Registration No. 3760081–DD PERKS

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B-188 to B-190	TARR report for Registration No. 3639391—DD PERKS
B-191 to B-193	TARR report for Registration No. 3880629—LIFE RUNS BETTER WITH PERKS
B-194 to B-197	TARR report for Registration No. 3904886—GEVALIA PERKS
B-198 to B-200	TARR report for Registration No. 3773065—VIPPERKS
B-200 to B-203	TARR report for Registration No. 3723643—BRAND PERKS
B-204 to B-206	TARR report for Registration No. 3650812—THE PERK THAT WORKS
B-207 to B-209	TARR report for Registration No. 3650455—JAVA PERKS
B-210 to B-213	TARR report for Registration No. 3729689—GIANT EAGLE FOODPERKS!
B-214 to B-217	TARR report for Registration No. 3825848—PERKS BY CLUB WYNDHAM
B-218 to B-221	TARR report for Registration No. 3648743—FUELPERKS! MALL.COM
B-222 to B-225	TARR report for Registration No. 3648743—FUELPERKS! MALL
B-226 to B-228	TARR report for Registration No. 3723465—FUELPERKS! MALL
B-229 to B-231	TARR report for Registration No. 3652557—FUELPERKS! MALL.COM
B-232 to B-234	TARR report for Registration No. 3664891—FOODPERKS!
B-235 to B-237	TARR report for Registration No. 3579468—ECOPERKS
B-238 to B-240	TARR report for Registration No. 3567375—TRAVEL PERKS AT WORK
B-241 to B-244	TARR report for Registration No. 3525191—GEVITY GP PERKS
B-245 to B-247	TARR report for Registration No. 3525190—GEVITY PERKS
B-248 to B-251	TARR report for Registration No. 3571267—BIZ PERKS
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B-277 to B-279	TARR report for Registration No. 3481977—AQUAPERK
B-280 to B-283	TARR report for Registration No. 3755177—FUELPERKS!
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B-305 to B-307	TARR report for Registration No. 3406186—DUNKIN' PERKS
B-308 to B-311	TARR report for Registration No. 3609224—PERKS ADVANTAGE
B-312 to B-315	TARR report for Registration No. 3350820—PAYLESS PERKS
B-316 to B-318	TARR report for Registration No. 3075340—GERI-PERK
B-319 to B-322	TARR report for Registration No. 3033466—PACIFICARE PERKS
B-323 to B-325	TARR report for Registration No. 2854820—PERKS IN THE CITY
B-326 to B-329	TARR report for Registration No. 3532872—ePERKS.com
B-330 to B-332	TARR report for Registration No. 3543973—CONDO PERKS. IT PAYS TO OWN.
B-333 to B-335	TARR report for Registration No. 3449997—CONDO PERKS
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B-345 to B-347	TARR report for Registration No. 3167317—AIRPERKS
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B-355 to B-357	TARR report for Registration No. 3043496—FUELPERKS!
B-358 to B-361	TARR report for Registration No. 3043672—GIANT EAGLE FUELPERKS!
B-362 to B-364	TARR report for Registration No. 3013682 —POWERSAVER PERKS
B-365 to B-368	TARR report for Registration No. 2964759—DEBITPERKS
B-369 to B-371	TARR report for Registration No. 2924795—BLUE PERKS
B-372 to B-374	TARR report for Registration No. 3006939—PRIMEPERKS
B-375 to B-378	TARR report for Registration No. 3261476—CARINGPERKS
B-379 to B-382	TARR report for Registration No. 2948190—PALMPERKS
B-383 to B-385	TARR report for Registration No. 3043236—CLIENT PERKS PROGRAM
B-386 to B-388	TARR report for Registration No. 2986801—PRACTICE PERKS
B-389 to B-391	TARR report for Registration No. 3125306—PERKS
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Page(s)	Identification
B-413 to B-415	TARR report for Registration No. 2547676—FAMILY PERKS
B-416 to B-418	TARR report for Registration No. 2494626—CREDITPERKS
B-419 to B-421	TARR report for Registration No. 2581548—PAYLESS PERKS
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B-440 to B-442	TARR report for Registration No. 1949128—PASTOR PERKS
B-443 to B-445	TARR report for Registration No. 1951280—FAMILY PERKS
B-446 to B-448	TARR report for Registration No. 2349999—SMART PERKS
B-449 to B-451	TARR report for Registration No. 2119150—NETPERKS
B-452 to B-454	TARR report for Registration No. 2636253—ROADPERKS

(See *id.* at Ex B.) Taken together, these references provide compelling evidence of widespread third-party use of the PERKS and PERKSCARD designations.

Moreover, the fact that some companies which had previously used, registered, or attempted to register a mark comprised of PERKS or PERKSCARD have settled claims by Petitioner is irrelevant to the generic nature of these terms. See *Colt Defense LLC v. Bushmaster Firearms, Inc.*, 486 F.3d 701, 82 USPQ2d 1759, 1765 (1st Cir. 2007) (holding that settlement agreement where third party acknowledged Plaintiff's ownership and rights in M4 mark "not probative" of non-genericism of term, and concluding that M4 is generic for guns).

Additionally, the TTAB has recognized that the term PERKS has little or no source-identifying power. As noted above, many companies have registrations covering marks

comprised in part of PERKS. (Reg. Not. of Rel. at Ex. B.) In many of those cases, registrants have, at the direction of an examining attorney, disclaimed the term PERKS. For example, United Airlines, Inc. owns registration No. 2,121,465 for the mark PERKS PLUS, and has disclaimed the term PERKS. (*Id.* at Ex. B-35.) Notably, United Airlines' attorney of record for Reg. No. 2,121,465 is the very same counsel for Petitioner in these proceedings who argues now that PERKS is distinctive.

The fact that PERKSCARD is comprised of two generic terms, PERKS and CARD, does not save it from vulnerability to cancellation for genericness. Where a mark is comprised of two generic parts, the combination is likewise not protectable if the entire formulation does not add any meaning to the otherwise generic mark. *In re 1800Mattress.com*, 586 USPQ2d at 1684 (holding combination of "mattress" and ".com" generic for online mattress sale services); *see also Pilates Method Alliance, Inc. v. Pilates, Inc.*, 2004 WL 1576475 (TTAB 2004) (holding combination of "Pilates" and "Studio" generic for fitness instruction services). Similarly, here, the combination of "perks" and "card" adds nothing to the composite and means nothing more than a card that entitles a holder to perks, just like any "credit card," "debit card," "gas card," "gym card," "membership card" or countless other cards that entitle their holders to particular goods or services.

Nonetheless, despite the years of peaceful coexistence with PerkSpot and scores, if not hundreds, of other marks comprised in part of the term PERKS, Registrant now brings this cancellation action to "protect" the generic terms PERKS and PERKSCARD. Because these terms are generic for the services provided in connection with those designations, they are unprotectable, and Petitioner's registrations therefor should be cancelled.

**B. In the Alternative, PERKS Reg.No. 3,210,654 and PERKSCARD Reg. No. 3,156,685 Should Be Cancelled as Merely Descriptive and Duplicative**

Petitioner's Registrations Nos. 3,210,654 and 3,156,685 are not incontestable and are therefore susceptible to cancellation on any basis on which registration can be refused. 15 U.S.C. § 1064. Both of these registrations should have been refused registration on the grounds that they are (i) merely descriptive of the services provided therewith, and (ii) duplicative of Petitioner's prior registrations for the same marks.

**1. The PERKS and PERKSCARD Marks are Merely Descriptive and Lack Secondary Meaning**

Marks which are merely descriptive and lacked secondary meaning at the date of registration are susceptible to cancellation in *inter partes* proceedings. *Harsco Corp. v. Electrical Sciences, Inc.*, 9 USPQ2d 1570 (TTAB 1988). For all the reasons set forth above, particularly the dictionary definitions, Petitioner cannot plausibly argue that PERKS or PERKSCARD is inherently distinctive. Nor has petitioner has provided any evidence to suggest that at the time that Registrations Nos. 3,210,654 and 3,156,685 issued, that the PERKS or PERKSCARD designations had acquired distinctiveness. Indeed, Petitioner provides only scant circumstantial evidence to suggest that the designations have any secondary meaning even now, long after their alleged first use. Thus, Registrations Nos. 3,210,654 and 3,156,685 should be cancelled on the grounds that they are merely descriptive and lack secondary meaning.

**2. The Later-Filed PERKS and PERKSCARD Registrations are Duplicative and Should Be Cancelled**

If two applications would result in registrations that are duplicates, the Trademark Office should refuse registration to the later-filed application. 37 CFR § 2.48. In this case, both PERKS registrations and both PERKSCARD registrations are registered for use in connection with buying services, namely, providing volume discounts for consumer products and services in



International Class 35.<sup>2</sup> Based on the identity of both the marks and the services to be provided therewith, the Trademark Office should have refused registration of the later-filed applications, *i.e.*, the applications that matured into Registrations Nos. 3,210,654 and 3,156,685, and they therefore should be cancelled now.

**C. There is No Likelihood of Confusion Between PerkSpot and PerksCard or Perks**

Even if this tribunal were to find that the PERKS and PERKSCARD marks are not generic, there is no likelihood of confusion between the PERKS or PERKSCARD marks on the one hand, and the PERKSPOT mark on the other. Thus, PerkSpot's mark should not be cancelled. Likelihood of confusion is assessed with regard to the following factors, when of record: (1) the similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation, and commercial impression; (2) the similarity or dissimilarity of the services in connection with which the marks are used; (3) the similarity or dissimilarity of established, likely-to-continue trade channels; (4) the conditions under which, and buyers to whom, sales are made, *i.e.*, "impulse" vs. careful, sophisticated purchasing; (5) the fame of the prior mark; (6) the number and nature of similar marks in use with similar services; (7) the nature and extent of any actual confusion; (8) the length of time during and conditions under which there has been concurrent use without evidence of actual confusion; (9) the market interface between the junior and senior user, including any agreement between the two; (10) the extent to which applicant has a right to exclude others from use of the mark; (11) the extent of potential confusion; and (12) any other facts probative of the effect of use. *In re E.I. du Pont de Nemours & Co.*, 476 F.2d

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<sup>2</sup> The two registrations covering the designation PERKS have recitations of services that are worded slightly differently (and Reg. No. 3,210,654 notes that the services are provided via a magnetically encoded card); however, the services to be provided are identical. The two registrations covering PERKSPOT have verbatim recitations of services.

1357, 177 USPQ 563, 567 (CCPA 1973). In this case, an analysis of each of these factors shows there is no likelihood of confusion.

**1. The Marks, in their Entireties, are Dissimilar**

When viewed in their entireties, as they must be, the subject marks in this proceeding are dissimilar. PerkSpot's mark is a composite of two terms, the generic term "Perk" and the suggestive term "Spot." Together, the composite mark is suggestive of a source of perks, but also brings to mind other more fanciful things, like polka dots. PerkSpot's PERKSPOT mark emphasizes the distinguishing "spot" portion of the mark, both via the capitalization scheme it employs (*i.e.*, by presenting the mark as PerkSpot) when it is not stylized, and by utilizing a stylization that highlights the SPOT portion of the mark, as shown below:



The circle around spot, coupled with the blue color with white characters, make SPOT the dominant portion of the PERKSPOT mark. PerkSpot does not use any capitalization in its stylized presentations of its mark.

By contrast, Petitioner's designation PERKS is, as discussed above, the class of services provided. PERKSCARD is a composite of two generic terms, "perks" and "card," which together form a generic term for a card used to obtain perks. Additionally, Petitioner uses completely a different stylization for its PERKSCARD mark that features a capital "P" and capital "C", a red slash design, and the term NETWORK, which is shown below:



Indeed, Petitioner actually uses “PERKSCARD NETWORK” as a mark. However, even without considering the “NETWORK” portion of the mark, in terms of appearance, sound, connotation, and commercial impression, PERKSCARD is not similar to PERKSPOT.

When comparing PERKSPOT to PERKSCARD,<sup>3</sup> while their respective first terms, PERK and PERKS, may be similar, the second terms serve to sufficiently distinguish the marks—SPOT and CARD are completely different in appearance and sound. Likewise, the marks are wholly distinguishable in terms of their connotation or meaning: “perk spot” suggests a place where users can go to get a perk. “Perks card,” conversely, describes the fact that users must show their perks cards to receive their discounts and other perks. Thus, given the marks’ disparate overall commercial impressions, this factor weighs in favor of finding no likelihood of confusion.

## **2. Similarity of the Services**

While Petitioner and PerkSpot both provide programs to employers that offer their employees perks, Petitioner’s services are broader than the services covered by Petitioner’s registration which are buying services, namely, providing volume discounts for consumer products and services. Indeed, PerkSpot provides a technology that both communicates with and enrolls employees in benefits programs, and provides an on-line platform that allows employers and employees to manage their participation in those programs. (Hill Dep. 45:15-24.) Petitioner, on the other hand, provides its services via a magnetically encoded card and not generally via an online portal. (Dow Dep. 12:24-13:3.) Thus, while some of the ultimate services provided may be similar — *i.e.*, employee perks services — the manner in which they are provided is different, and this factor is neutral.

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<sup>3</sup> Petitioner has not made of record any current uses of its PERKS trademark, despite its extensive exhibits to the company’s founder, Mr. Dow’s, testimony deposition, which raises the question of whether the mark is still in use or has been abandoned. Indeed, Mr. Dow himself refers to the “d/b/a” of Couch/Braunsdorf Affinity as merely “PerksCard” with no mention of them doing business as Perks. (Dow Dep. 9:13-17.)

### **3. Similarity of the Trade Channels**

While Petitioner and PerkSpot both sell their services to employers to provide to their employees, as discussed above, employees in a program provided by PerkSpot access their perks via an online platform. (Hill Dep. 45:15-24.) By contrast, employees in a program provided by Petitioner access their perks via a magnetically encoded perks card. (Dow Dep. 12:24-13:3.) Thus, again, while some of the direct purchasers may overlap, the trade channels differ, and this factor is neutral.

### **4. The Relevant Consumers are Sophisticated, and Make Careful, Reasoned Decisions**

The conditions under which and the buyers to whom sales are made weigh heavily in favor of a finding that there is no likelihood of confusion. PerkSpot and Petitioner sell their services to human resources professionals at major corporations or other institutions. (Dow Test. 81:1-8, 84:5-16, Smythe Test. 26:6-27:2.) Thus, the relevant consuming public is a highly educated, specialized population. Professionals can be expected to exercise a high degree of care in selecting goods related to their professional specialty. *Iowa Paint Mfg. Co., Inc. v. Hirshfield's Paint Mfg., Inc.*, 296 F. Supp. 2d 983, 69 USPQ2d 1016, 1028 (S.D. Iowa 2003) (holding that professional, commercial purchasers are “usually more sophisticated and therefore less likely to be confused than the ordinary purchaser,” and that professional painters may be expected to exercise high degree of care in selecting their paint).

Moreover, because the ultimate purchasers of these services are the corporations or institutions themselves, any sale to these parties is likely to be the culmination of long-term negotiations. *See Cont'l Plastic Containers, Inc. v. Owens Brockway Plastic Prods., Inc.*, 141 F.3d 1073, 46 USPQ2d 1277, 1282 (Fed. Cir. 1998) (holding that survey evidence of potential individual retail consumer confusion was irrelevant where relevant consumer base was corporate

wholesale purchasers who engage in long-term negotiations). Corporations and other institutions of this size simply do not make “impulse” purchases of the kind likely to lead to consumer confusion. Petitioner alleges erroneously that these consumers rely on oral communication. (Pet.’s Tr. Br., p. 25.) While the initial contacts with these consumers are oral, the final purchasing decisions require a signed contract, which will of necessity be in writing. This factor, therefore, weighs heavily in PerkSpot’s favor.

#### **5. Weakness of the PERKS and PERKSCARD Marks**

As discussed in detail above, the PERKS and PERKSCARD Marks are generic. Marks are placed on a spectrum of distinctiveness which, in ascending order of distinctiveness, includes (1) generic terms; (2) descriptive terms; (3) suggestive terms; and (4) arbitrary or fanciful terms. *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 23 U.S.P.Q.2d 1081, 1083 (1992). While for the reasons described above, Petitioner’s marks should be deemed generic and therefore incapable of being distinctive of Petitioner’s services, even if this Board should determine they are not generic, they are still at most descriptive. That is, it is undeniable that the terms PERKS and PERKSCARD describe the category of services Petitioner provides in connection with those services, namely benefit or “perks” services via a card. Thus, the marks are inherently weak. *See id.*

Moreover, the PERKS and PERKSCARD designations are also weak because of their lack of commercial recognition in the marketplace. While Petitioner has presented some evidence of its revenue and number of clients,<sup>4</sup> it has produced no survey or other evidence to show market recognition of its marks. On the other hand, reliable data shows the market regards these designations as weak by virtue of the prevalence of third-party uses. As set forth in detail in Section IV.A, *supra*, PerkSpot has presented evidence of hundreds of third-party uses of

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<sup>4</sup> This data includes only “projections” for the year 2010, indicating this data is over two years old and may not be currently reliable.

PERKS and PERKSCARD. In such a crowded field of similar marks, “customers will not likely be confused between any two of the crowd.” *Moose Creek, Inc. v. Abercrombie & Fitch Co.*, 331 F. Supp. 2d 1214, 1224 (C.D. Cal. 2004). Thus, this factor weighs very heavily in favor of finding that there is no likelihood of confusion.

**6. Widespread Third-Party Uses of PERKS and PERKSCARD**

As discussed above and in Section IV.A, *supra*, there is ample record evidence of hundreds of third-party uses of PERKS and PERKSCARD. Indeed, PerkSpot has entered into the record printouts of over seventy different websites that are using PERKS or PERKSCARD either generically or as part of their own marks, and trademark records for well over one hundred registrations for marks comprised of PERKS or PERKSCARD. (*See* Reg. Not. of Rel. at Ex A and B.) Taken together, these references provide incontrovertible evidence of widespread third-party use of the PERKS and PERKSCARD designations. Therefore, this factor too weighs heavily in favor of finding no likelihood of confusion.

**7. There is No Admissible Evidence of Actual Confusion**

Petitioner alleges that there have been eight instances of actual confusion in the six years that PerkSpot and Petitioner have coexisted, but cannot provide admissible evidence of any of those instances.<sup>5</sup> Where actual confusion evidence is only hearsay, it is entitled to little or no weight. *Georgia-Pacific Corp. v. Great Plains Bag Co.*, 614 F.2d 757, 204 USPQ 697, 701 (CCPA 1980) (upholding Board decision that Petitioner’s evidence of actual confusion constituted hearsay, disregarding the same, and holding that there was no likelihood of confusion). Indeed, because Petitioner has not presented any testimony from any allegedly confused third party, this tribunal has no way to determine the state of mind of any of those

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<sup>5</sup> Petitioner has improperly attempted to insert hearsay evidence into the record in these proceedings. PerkSpot’s objections to this inadmissible evidence are addressed fully in its Statement of Objection to Evidence included in the Appendix to this Trial Brief.

parties, or whether they were actually confused, and PerkSpot has had no opportunity to cross-examine these parties. *See id.*; *Duluth News-Tribune v. Mesabi Pub'g. Co.*, 84 F.3d 1093, 38 USPQ2d 1937, 1941 (8th Cir. 1996) (“vague evidence of misdirected phone calls and mail is hearsay of a particularly unreliable nature given the lack of an opportunity for cross-examination of the caller or sender regarding the reason for the ‘confusion’”). Moreover, the majority of this alleged evidence came from the testimony of Mr. Robert Dow, Petitioner’s founder and president, and must therefore be viewed with skepticism. *Citizens Fin. Grp., Inc. v. Citizen’s Natn’l Bank of Evans City*, 383 F.3d 110, 72 USPQ2d 1389, 1399 (3rd Cir. 2004) (“In general, ‘actual confusion’ evidence collected by employees of a party in a trademark action must be viewed with skepticism because it tends to be biased or self-serving.”).

Furthermore, even if admissible, closer examination of each of these so-called instances of actual confusion shows that the parties in question were not actually confused. For example, Petitioner cites to a hearsay email communication in which an alleged potential customer forwarded to PerkSpot an email from Petitioner and inquired whether they were the same company. (Pet. Tr. Br. at 15-16, 28.) An inquiry about whether two companies are related is not evidence of confusion. *Gruner + Jahr USA Publ'g. v. Meredith Corp.*, 991 F.2d 1072, 26 USPQ2d 1583, 1588 (2d Cir. 1993) (holding that “[i]t was proper for the trial court to consider this testimony not as evidence of actual confusion, but rather as showing only queries into the possible relationship between the parties’ publications,” and finding no likelihood of confusion); *see also Int’l Assn. of Machinists and Aero Workers v. Winship Green Nursing Ctr.*, 103 F.3d 196, 41 USPQ2d 1251, 1259 (1<sup>st</sup> Cir. 1996) (holding that inquiry did not indicate a likelihood of confusion).

To the extent that *any* of the evidence offered by Petitioner is actually probative of actual confusion, it is merely *de minimis* and should accordingly be given minimal, if any, weight.

*Leelanau Wine Cellars Ltd. v. Black & Red Inc.*, 502 F.3d 504, 84 USPQ2d 1225, 1233 (6th Cir. 2007) (upholding district court ruling that disregarded *de minimis* anecdotal accounts of alleged confusion that lacked detail and were primarily offered in the form of hearsay); *see also Smith Fiberglass Prods., Inc. v. Ameron Inc.*, 7 F.3d 1327, 28 USPQ2d 1614, 1617 (7th Cir. 1993) (“[Plaintiff] presented no instances of actual confusion, but rather sought to admit into evidence a vague hearsay account of what may have been actual confusion....the district court may discount *de minimis* evidence of actual confusion...which it properly did here.”). Indeed, to the extent that any phone calls or emails were misdirected, that evidence is *de minimis* and shows only the inattentiveness on the part of the caller or sender, rather than true actual confusion. *Duluth News-Tribune*, 38 USPQ2d 1937, 1941 (8th Cir. 1996) (as between two newspapers, holding that the plaintiff’s evidence of (i) its receipt of defendant’s mail and phone calls, (ii) a reporter being asked which paper he worked at, (iii) its receipt of phone calls asking whether two papers were affiliated, (iv) its receipt of a subscription for defendant’s paper, and (v) its receipt of a letter regarding an article in defendant’s paper, were *de minimis* and finding no likelihood of confusion). Thus, at most, this factor is neutral.

**8. Several Years Without Actual Confusion is Strong Evidence That Confusion is Unlikely**

As discussed above, Petitioner has presented no admissible evidence of actual confusion. Where, as here, the junior user’s product or service has been sold for an appreciable period of time with no evidence of actual confusion, “one can infer that continued marketing will not lead to consumer confusion in the future. The longer the challenged product has been in use, the stronger this inference will be.” *Versa Prods. Co. v. Bifold Co.*, 50 F.3d 189, 33 USPQ2d 1801, 1812 (3d Cir. 1995) (finding no likelihood of confusion in part on basis of lack of actual confusion). In this case, PerkSpot and Petitioner have coexisted with no evidence of actual



confusion for nearly six years, which is very strong evidence that there is no likelihood of confusion. *See Brookfield Comm'ns, Inc. v. West Coast Entm't Corp.*, 174 F.3d 1036, 50 USPQ2d 1545, 1555 (9th Cir. 1999) (finding no likelihood of confusion based on five years with no actual confusion); *CareFirst of Md., Inc. v. First Care, P.C.*, 434 F.3d 263, 77 USPQ2d 1577, 1581 (4th Cir. 2006) (finding no likelihood of confusion between CAREFIRST and FIRST CARE where marks coexisted without confusion for nine years); *Citigroup Inc. v. Capital City Bank Group Inc.*, 94 USPQ2d 1645, (TTAB 2010) (finding no likelihood of confusion between CITIBANK and CAPITAL CITY BANK where marks coexisted for decades, even though use was geographically distant). Thus, this factor too weighs heavily in favor of finding there is no likelihood of confusion.

**9. There is No Market Interface Between PerkSpot and Registrant**

Petitioner erroneously conflates “market interface” with similar trade channels. In point of fact, market interface in this context refers to a contractual relationship between the parties, such as a license or franchise agreement, or even a covenant not to sue. *See In re Du Pont*, 177 USPQ at 567. There is no such contractual relationship in this case. This factor then, weighs against finding a likelihood of confusion.

**10. Applicant has No Right to Exclude Others from Using its Generic, or at Least Merely Descriptive, Designations**

In support of its right to exclude others, Petitioner merely cites to instances where it has successfully muscled smaller competitors without the resources to fight infringement or opposition actions out of using marks comprised in part of the generic term PERKS. This is unavailing. Indeed, the fact that some companies have settled claims by Petitioner is irrelevant to the generic nature of these terms. *See Colt Defense*, 82 USPQ2d at 1765 (1st Cir. 2007).

In truth, as a matter of public policy, generic terms must be available to all competitors in a field. *In re Sun Oil Co.*, 426 F.2d 401, 165 USPQ 718 (CCPA 1970). Indeed, to “allow a firm to use as a trademark a generic word...would make it difficult for competitors to market their own brands of the same product.” *Blau Plumbing, Inc. v. S.O.S. Fix-It, Inc.*, 781 F.2d 604, 228 USPQ 519, 521 (7th Cir. 1986). This is precisely what Petitioner attempts to do by this action: prevent PerkSpot from using the generic formative “perk” to describe what it does: provide employers with a means of providing perks to their employees. This factor, therefore, also weighs against finding a likelihood of confusion.

#### **11. Potential Confusion is *De Minimis***

For the reasons set forth in detail with regard to each of the preceding likelihood of confusion factors, there is no significant risk here of potential consumer confusion. Thus, this factor too weighs against finding a likelihood of confusion.

### **V. CONCLUSION**

By initiating this action, Petitioner attempted to force out a competitor with which it had peacefully coexisted for years. Petitioner improperly asserts rights in two generic terms, PERKS and PERKSCARD, and its registrations therefor should be cancelled. Even if this Board were to not cancel those registrations, the record evidence demonstrates that there is no likelihood of

confusion between the PERKSPOT mark and Petitioner's marks, and Petitioner's Registration No. 3,156,685 therefore should not be cancelled.

Respectfully submitted,

Dated: May 7, 2011

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**CERTIFICATE OF SERVICE**

I, Mavis Benson, a non-attorney, state that I served a copy of ***REGISTRANT'S TRIAL***

***BRIEF*** upon counsel for Petitioner/Counter- Registrant:

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via First Class U.S. Mail on this 7<sup>th</sup> day of May, 2012.

/Mavis Benson/  
Mavis Benson

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

COUCH/BRAUNSDORF AFFINITY, INC., )

Petitioner/Counter-Registrant, )

v. )

12 INTERACTIVE, LLC, )

Registrant/Counter-Petitioner )

Cancellation No. 92051006

**APPENDIX A**

**REGISTRANT'S STATEMENT OF OBJECTION**

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## **I. INTRODUCTION**

Couch/Braunsdorf Affinity, Inc. ("Petitioner") improperly attempts to introduce and rely upon several instances of hearsay testimony in its Trial Brief. Hearsay is inadmissible and should be stricken from the record. 37 C.F.R. § 2.122(a); Fed. R. Ev. 802. Objections to hearsay testimony "should be raised in or with the objecting party's brief on the case, rather than by motion to strike." T.B.M.P. §§ 707.02(c); 707.03(c). 12 Interactive, LLC ("PerkSpot") therefore hereby respectfully requests that all such hearsay evidence be stricken from the record, and not considered in the Board's determination of this matter.

## **II. HEARSAY IN ROBERT DOW'S TESTIMONY DEPOSITION**

Throughout the course of the deposition of Robert Dow, Petitioner's founder and president, Petitioner attempts to introduce hearsay evidence. Petitioner then extensively relies on such inadmissible evidence in its trial brief. Each of these instances is considered here in turn.

***PerksCard Program Presentation-*** Petitioners present PX9 which is, in the words of Mr. Dow, "part of a presentation that we use showing actual results from the PerksCard program at a local business." (Dow Dep., 40:4-6.) That is, PX9 is part of a marketing presentation. Mr. Dow then proceeds to read a quotation attributed to an owner of an unidentified business. (Dow Dep. 40:18-41:8.) This alleged business owner was not called as a witness. Mr. Dow attempts to certify this presentation as a business record (Dow Dep. 40:7-9.), but that certification does not reach the hearsay statement within the presentation. Indeed, it provides this tribunal with no assurances that Petitioner did not create this quote wholesale for marketing purposes. Thus, PX9 and Mr. Dow's testimony regarding the same should be stricken from the record.

***Call to Customer Service Center-*** Mr. Dow testified regarding a third-party who allegedly Petitioner's customer service center and spoke to a customer service representative. (Dow Dep. 87:9-13.) Mr. Dow himself was not a party to this telephone call, and has no

personal knowledge of it. Indeed, any statement by the alleged third party caller is hearsay within hearsay: the caller him or herself (*i.e.*, the declarant) is not testifying, nor is the customer service representative who may have communicated this information to Mr. Dow.<sup>1</sup> Thus this testimony should be excluded from consideration.

***Emails to Mr. Dow*** - Petitioner's exhibit PX33 appears to consist of an email exchange between Mr. Dow and an accounting firm. Mr. Dow testified that he received the email in question. However, because the sender of that email was not a witness in these proceedings, any of his statements are inadmissible hearsay. *See Fisons Ltd. v. UAD Labs., Inc.*, 219 USPQ 661, 664 (TTAB 1983) (holding that "where the writer of such a letter [allegedly misdirected] is not called as a witness, the letter constitutes hearsay and inferences as to the existence of actual confusion cannot be drawn from it"). Indeed, here the email drafter was unable to testify as to why the email was sent or her state of mind when sending it. For the same reasons, Mr. Dow's testimony regarding the sender's later statements to him via telephone are also hearsay. Hearsay evidence "offered to prove the state of mind of a third party (concerning confusion between the two marks)" is entitled to little or no weight. *Georgia-Pacific Corp. v. Great Plains Bag Co.*, 614 F.2d 757, 204 USPQ 697, 701 (CCPA 1980) (upholding Board decision that Petitioner's evidence of actual confusion constituted hearsay, disregarding the same, and holding that there was no likelihood of confusion). Thus, both PX33 and Mr. Dow's testimony regarding the events surrounding the same should be stricken from the record.

***Emails Between Non-Witnesses***- Like PX33, Petitioner's exhibits PX34 and PX35 appear to be email exchanges, only in both of these cases, Mr. Dow was not even a recipient of the email and thus neither party was a witness in these proceedings. Therefore, Mr. Dow cannot

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<sup>1</sup> The chain of this communication is not made clear by Mr. Dow's testimony. Indeed, the substance of this call may have traveled through many different people, becoming less and less reliable each time.



even properly authenticate these documents. Moreover, they add to the defects pointed out with regard to PX33 and Mr. Dow's testimony regarding the same an additional layer of hearsay issues: Mr. Dow has apparently received these documents from another of Petitioner's employees, and thus the third party communications within the email chains constitute hearsay within hearsay. For these reasons, PX34 and 35 and Mr. Dow's testimony regarding these exhibits should be excluded from the Board's determination of this matter.

***Wells Fargo Employee-*** Mr. Dow also testified that during a phone call with an employee at Wells Fargo, the employee misspoke and referred to Petitioner as PerkSpot. Mr. Dow simply cannot testify as to the state of mind of this employee, and in particular whether that employee was confused as to the source of the Petitioner's services. *See Georgia-Pacific*, 204 USPQ at 701 (hearsay offered to prove the state of mind concerning confusion is not entitled to weight in analysis of likelihood of confusion). Indeed, even the identity of the caller and the circumstances surrounding the caller's misstatements are unexplained. *See Hi-Country Foods Corp. v. Hi Country Beef Jerky*, 4 USPQ2d 1169, 1172 (TTAB 1987) ("Similarly, the testimony from opposer's deponent...is, apart from being inadmissible hearsay, vague and unclear. The identity of the caller is unknown and the circumstances surrounding the incident are unexplained. Accordingly, these incidents of 'actual confusion' are of virtually no probative value.") Thus, this testimony too should be disregarded.

### **III. HEARSAY IN BRANDON SMYTHE'S TESTIMONY DEPOSITION**

Petitioner relies on three exhibits, PX50, PX51, and PX52, which it introduced during the deposition of Brandon Smythe, a former employee of PerkSpot. In each instance, it attempts to rely not upon Mr. Smythe's statements, but instead upon the statements of out-of-court declarants. This is cannot do. 37 C.F.R. § 2.122(a); Fed. R. Ev. 802. Moreover, this evidence is particularly unreliable where, as here, PerkSpot has had no opportunity for cross-examination

and there is no record evidence regarding the reason for the alleged confusion. *See Duluth News-Tribune v. Mesabi Pub'g. Co.*, 84 F3d 1093, 38 USPQ2d 1937, 1941 (8th Cir. 1996) (“evidence of misdirected phone calls and mail is hearsay of a particularly unreliable nature given the lack of an opportunity for cross-examination of the caller or sender regarding the reason for the ‘confusion’”). Thus, like the hearsay introduced via Mr. Dow’s testimony, this hearsay should likewise be excluded from the Board’s consideration.

***Email Inquiry Regarding Relationship Between PerkSpot and Petitioner-*** PX50 appears to be an email from a third party inquiring about whether PerkSpot and the Petitioner might be related. Setting aside the fact that inquiries such as this are not valid evidence of actual confusion, *Gruner + Jahr USA Publ'g. v. Meredith Corp.*, 991 F.2d 1072, 26 USPQ2d 1583, 1588 (2d Cir. 1993) (holding that “[i]t was proper for the trial court to consider this testimony not as evidence of actual confusion, but rather as showing only queries into the possible relationship between the parties’ publications,” and finding no likelihood of confusion), this email standing alone is also inadmissible hearsay. *See Fisons Ltd.*, 219 USPQ at 664 (holding that “where the writer of such a letter is not called as a witness, the letter constitutes hearsay and inferences as to the existence of actual confusion cannot be drawn from it”). Furthermore, Mr. Smythe testified that he did not remember the sender of the email. The sender was not called as a witness in these proceedings, and we therefore have no competent evidence of her state of mind, and whether she was confused. This exhibit and Mr. Smythe’s testimony regarding the same should therefore be stricken from the record.

***Email Inquiry Regarding Work with Petitioner-*** PX51 appears to be an email exchange between Mr. Smythe and a third party that was not and never became a PerkSpot client. (PX51, Smythe Dep. 42:22-43:5.) As in the case of every instance of alleged actual confusion presented by Petitioner, Petitioner failed to call the allegedly confused party as a witness, so PerkSpot has

has no opportunity to cross-examine this witness, and this Board has no evidence in the record as to her state of mind when making the statements at issue. *See Georgia-Pacific*, 204 USPQ at 701 (hearsay offered to prove the state of mind concerning confusion is not entitled to weight in analysis of likelihood of confusion). Thus, this alleged evidence too should be disregarded.

***Email Inquiry Regarding "Ability to Assist"***- Like PX51, PX52 appears to be an email exchange between Mr. Smythe and a third party. The third party appears to forward to a PerkSpot email account a solicitation email that appears to have been sent by Petitioner and inquire whether PerkSpot would "be able to assist with this." (PX52.) However, it appears that the third party at issue in this email is simply requesting assistance with getting employee perks services and has requested PerkSpot provide a competitive bid. Without her testimony, it would be an error to assume anything regarding her state of mind, including whether she was confused. *See Fisons Ltd.*, 219 USPQ at 664.

#### IV. **CONCLUSION**

Petitioner's introduction of inadmissible hearsay into the record, largely in what appear to be misguided attempts to get weak evidence of alleged instances of actual confusion before the Board without calling any third-party witnesses, should not be permitted. *Georgia-Pacific*, 204 USPQ at 701. Under the Federal Rules, applicable to these proceedings under Trademark Rule 2.122(a), hearsay evidence is not permissible and should be stricken. 37 C.F.R. § 2.122(a); Fed. R. Ev. 802. PerkSpot therefore hereby respectfully requests that all such hearsay evidence be stricken from the record, and not considered in the Board's determination of this matter.

Respectfully submitted,

Dated: May 7, 2011

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**CERTIFICATE OF SERVICE**

I, Mavis Benson, a non-attorney, state that I served a copy of ***APPENDIX A***,  
***REGISTRANT'S STATEMENT OF OBJECTION*** upon counsel for Petitioner/Counter-

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via First Class U.S. Mail on this 7<sup>th</sup> day of May, 2012.

/Mavis Benson/  
Mavis Benson